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A Limited Liability Partnership Including Professional Corporations

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July 3, 2002

DELIVERY VIA COURIER TO MELLON BANKMarlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street SW
Washington, D.C. 20554

FCC/MELLON

JUL 03 2002

**Re: Joint Application of North American Communications Control, Inc.
and A.R.C. Networks, Inc. d/b/a InfoHighway for Authority Pursuant
to Section 214 of the Communications Act of 1934, as amended, for
Approval of Transfer of Control**

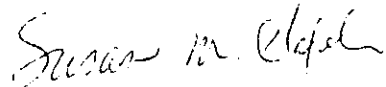
Dear Ms. Dortch:

On behalf of North American Communications Control, Inc. and A.R.C. Networks, Inc. d/b/a InfoHighway, we hereby submit an original and four (4) copies of their joint Section 214 Application for approval of transfer of control. Attached hereto are an FCC Form 159 and a check in the amount of \$815.00 in payment of the requisite filing fee.

The applicants request streamlined processing of the enclosed Application.

Please refer all questions and correspondence regarding this filing directly to the undersigned.

Respectfully submitted,

Glenn S. Richards
Susan M. Hafeli

Enclosures

READ INSTRUCTIONS CAREFULLY
BEFORE PROCEEDING

FEDERAL COMMUNICATIONS COMMISSION
REMITTANCE ADVICE

Approved by OMB
3060-0589
Page No 1 of 1

(1) LOCKBOX #

358145

SPECIAL USE

FCC USE ONLY

SECTION A - PAYER INFORMATION

(2) PAYER NAME (if paying by credit card, enter name exactly as it appears on your card)
A.R.C. Networks, Inc.

(3) TOTAL AMOUNT PAID (U.S. Dollars and cents)
815.00

(4) STREET ADDRESS LINE NO. 1
1333 Broadway, Suite 1001

(5) STREET ADDRESS LINE NO. 2

(6) CITY
New York

(7) STATE
NY

(8) ZIP CODE
10018

(9) DAYTIME TELEPHONE NUMBER (include area code)
(212) 566-2100

(10) COUNTRY CODE (if not in U.S.A.)

FCC REGISTRATION NUMBER (FRN) AND TAX IDENTIFICATION NUMBER (TIN) REQUIRED

(11) PAYER (FRN)
0004-3357-41

(12) PAYER (TIN)
133935816

IF PAYER NAME AND THE APPLICANT NAME ARE DIFFERENT, COMPLETE SECTION B
IF MORE THAN ONE APPLICANT, USE CONTINUATION SHEETS (FORM 159-C)

(13) APPLICANT NAME

(14) STREET ADDRESS LINE NO. 1

(15) STREET ADDRESS LINE NO. 2

(16) CITY

(17) STATE

(18) ZIP CODE

(19) DAYTIME TELEPHONE NUMBER (include area code)

(20) COUNTRY CODE (if not in U.S.A.)

FCC REGISTRATION NUMBER (FRN) AND TAX IDENTIFICATION NUMBER (TIN) REQUIRED

(21) APPLICANT (FRN)

(22) APPLICANT (TIN)

COMPLETE SECTION C FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET

(23A) CALL SIGN/OTHER ID

(24A) PAYMENT TYPE CODE
CUT

(25A) QUANTITY
1

(26A) FEE DUE FOR (PTC)

815.00

(27A) TOTAL FEE

815.00

FCC USE ONLY

(28A) FCC CODE 1

(29A) FCC CODE 2

(23B) CALL SIGN/OTHER ID

(24B) PAYMENT TYPE CODE

(25B) QUANTITY

(26B) FEE DUE FOR (PTC)

(27B) TOTAL FEE

FCC USE ONLY

(28B) FCC CODE 1

(29B) FCC CODE 2

SECTION D - CERTIFICATION

(30) CERTIFICATION STATEMENT

I, _____, certify under penalty of perjury that the foregoing and supporting information is true and correct to
the best of my knowledge, information and belief. SIGNATURE _____ DATE _____

SECTION E - CREDIT CARD PAYMENT INFORMATION

(31)

MASTERCARD/VISA ACCOUNT NUMBER:

EXPIRATION

☐ MASTERCARD

☐ VISA

I hereby authorize the FCC to charge my VISA or MASTERCARD for the service(s)/authorization herein described.

SIGNATURE _____

DATE _____

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)
)
North American Communications)
Control, Inc., Transferor;)
)
and)
)
A.R.C. Networks, Inc., Transferee)
)
Application for Authority Pursuant to)
Section 214 of the Communications Act)
of 1934, as amended, for Approval of)
Transfer of Control)

File No. WCB ~~26~~ 02- 267

**JOINT APPLICATION FOR APPROVAL OF
TRANSFER OF CONTROL**

Pursuant to Section 214 of the Communications Act of 1934, as amended, 47 U.S.C. § 214, and Section 63.04 of the Commission's Rules, 47 C.F.R. § 63.04, A.R.C. Networks, Inc. d/b/a InfoHighway ("A.R.C.") and North American Communications Control, Inc. ("NACC"), by their attorneys, hereby request authority to acquire transfer certain assets from NACC to A.R.C. The assets are NACC's customer base in the 19 states listed in response to Item No. (7), below, and corresponding accounts receivable.

Pursuant to Section 63.04(a) of the Commission's Rules, the parties submit the following:

- (1) The name, address and telephone number of each applicant

Transferee:
A.R.C. Networks, Inc. d/b/a InfoHighway
175 Pinelawn Road
Melville, NY 11747
Telephone: (631) 249-1616

Transferor:

North American Communications Control, Inc.
789 Park Avenue
Huntington, NY 11743
Telephone: (212) 413-7426

- (2) The government, state, or territory under the laws of which each corporate or partnership applicant is organized

A.R.C. is a corporation organized under the laws of the state of New York. NACC is a corporation organized under the laws of the state of New York.

- (3) The name, title, post office address, and telephone number of the officer or contact point, such as legal counsel, to whom correspondence concerning the application is to be addressed

Correspondence concerning this application should be sent to Counsel for Joint

Applicants:

Glenn S. Richards, Esq.
Susan M. Hafeli, Esq.
Shaw Pittman LLP
2300 N Street, N.W.
Washington, D.C. 20037
Telephone: (202) 663-8215
Facsimile: (202) 663-8007

The designated contact for the continuing operations of A.R.C. is:

Joseph Gregori, Chief Executive Officer
A.R.C. Networks, Inc. d/b/a InfoHighway
175 Pinelawn Road
Melville, NY 11747
Telephone: (631) 249-1616-2100
Facsimile: (631) 249-1802

The designated contact for the continuing operations of NACC is:

James Milana, President
North American Communications Control, Inc. ("NACC")
789 Park Avenue
Huntington, NY 11743
Telephone: (212) 413-7426

- (4) The name, address, citizenship and principal business of any person or entity that directly or indirectly owns at least ten (10) percent of the equity of the applicant, and the percentage of equity owned by each of those entities (to the nearest one (1) percent)

A.R.C. Networks, Inc.

A.R.C. is a wholly-owned subsidiary of ARC Networks, Inc., a Delaware corporation ("ARC-Parent"). The address of ARC-Parent's principal business location is 175 Pinelawn Road, Melville, New York 11747.

ARC-Parent is a wholly-owned subsidiary of InfoHighway Communications Corporation ("ICC"), a Delaware corporation. The address of ICC's principal business location is 175 Pinelawn Road, Melville, New York 11747.

The name, address, citizenship and principal business of those persons or entities holding more than 10 percent of the equity of ICC are as follows:

Shareholder:	GTCR Fund VII, L.P.
Ownership Percentage:	71.4 percent
Address:	200 W. Madison 17 th floor Chicago, IL 60606
Citizenship:	Delaware limited partnership
Principal Business:	Private equity firm

North American Communications Control, Inc.

The name, address, citizenship and principal business of those persons or entities holding more than 10 percent of the equity of NACC are as follows:

Shareholder:	Gary Fragin
Ownership Percentage:	38 percent
Address:	North American Communications Control, Inc. 789 Park Avenue, Huntington, NY 11743
Citizenship:	U.S.
Principal Business:	Finance

Shareholder: James Milana
Ownership Percentage: 30 percent
Address: North American Communications Control, Inc.
789 Park Avenue, Huntington, NY 11743
Citizenship: U.S.
Principal Business: Telecommunications

Shareholder: Jack Gluck
Ownership Percentage: 17 percent
Address: North American Communications Control, Inc.
789 Park Avenue, Huntington, NY 11743
Citizenship: U.S.
Principal Business: Telecommunications

Shareholder: Thomas Milana Sr.
Ownership Percentage: 15 percent
Address: North American Communications Control, Inc.
789 Park Avenue, Huntington, NY 11743
Citizenship: U.S.
Principal Business: Telecommunications

- (5) Certification pursuant to 47 C.F.R. §§ 1.2001 through 1.2003 that no party to the application is subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988. See 21 U.S.C. § 853

See Exhibit A.

- (6) Description of the transaction

The parties have agreed to a multi-step transaction for the purposes of transferring NACC's customer base and accounts receivable to A.R.C. on or about August 31, 2002, subject to receipt of requisite regulatory approvals. This transaction will not result in a change in control of either party.

For the purposes of effectuating the transfer, the parties have executed an Asset Purchase Agreement (the "Agreement"), effective May 31, 2002. Pursuant to this Agreement, NACC will transfer its customer base to a subsidiary of A.R.C., NACC Acquisition Management, Inc. ("NACC-AM"), in exchange for cash and ICC preferred stock.

The transfer will be consummated upon receipt of all requisite regulatory filings and approvals. Upon NACC's sale and NACC-AM's acquisition of the customer base of NACC, ICC, as ultimate parent, will take the necessary actions to merge NACC-AM into A.R.C. As a result, A.R.C. will be the entity providing telecommunications services to current NACC customers.

- (7) A description of the geographic areas in which the transferor and transferee (and their affiliates) offer domestic telecommunications services, and what services are provided in each area

NACC provides local exchange service in the State of New York and long distance telecommunications services to customers in the following states: Arizona, California, Connecticut, Florida, Georgia, Illinois, Maryland, Massachusetts, Michigan, Minnesota, New Jersey, New York, North Carolina, Pennsylvania, South Carolina, Texas, Utah, Vermont, and Virginia.

A.R.C. is a non-dominant carrier that provides telecommunications services to small- and medium-sized business, residential customers, and government entities in over 20 states. A.R.C. is currently certificated to provide facilities-based and/or resold local exchange service in Arizona (interim authority), California, Connecticut, Delaware (conditional), the District of Columbia, Florida, Maine, Maryland, Massachusetts, Michigan, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Texas, and Vermont. Its affiliate, InfoHighway of Virginia, Inc., is authorized to provide facilities-based and resold local services in Virginia. A.R.C. is also authorized, pursuant to certification, registration, or deregulation, to provide intrastate interexchange services in Arkansas, California, Connecticut, Delaware (conditional), Florida, Illinois, Indiana, Kansas, Maine, Maryland, Massachusetts, Michigan, Missouri,

Nevada, New Hampshire, New Jersey, New York, North Carolina, Ohio, Oklahoma, Pennsylvania, Rhode Island, Texas, Utah, Vermont and Virginia. A.R.C. has filed applications requesting authority to provide interexchange services in the states of Georgia, Minnesota, and South Carolina. A.R.C. also provides interstate and international telecommunications services as a non-dominant carrier pursuant to authority of the Federal Communications Commission ("FCC"). See FCC File No. ITC-96-032 (March 14, 1996).

(8) Statement as to how the application fits into one or more of the presumptive streamlined categories in section 63.03 or why it is otherwise appropriate for streamlined treatment

This application is entitled to streamlined treatment pursuant to Section 63.03(b)(2) of the Commission's rules because (i) the transaction will result in the transferee, A.R.C. (and its affiliates), having a market share in the interstate, interexchange market of less than 10 percent; (ii) the transferee, A.R.C. (and its affiliates), will provide competitive telephone exchange services or exchange access services exclusively in geographic areas served by a dominant local exchange carrier that is not a party to this transaction; and (iii) neither of the applicants is dominant with respect to any service.

(9) Identification of all other Commission applications related to the same transaction

There are no other Commission applications related to this transaction. A.R.C. will be filing the self-certification described in 47 C.F.R. § 64.1120(e)(1).

(10) A statement of whether the applicants are requesting special consideration because either party to the transaction is facing imminent business failure

The applicants are not requesting special consideration because of the imminent business failure of either party.

- (11) Identification of any separately filed waiver requests being sought in conjunction with the transaction

There are no separately filed waiver requests being sought in conjunction with the transaction.

- (12) A statement showing how grant of the application will serve the public interest, convenience and necessity, including any additional information that may be necessary to show the effect of the proposed transaction on competition in domestic markets

A grant of this Application will serve the public interest, convenience, and necessity because it will promote competition in the provision of domestic telecommunications services. Acquisition of the customer base of NACC will enable A.R.C. to expand its customer base, allowing it to increase revenues and thereby to compete more effectively in local and interexchange telecommunications markets.

Conclusion

For the reasons stated above, it is respectfully requested that the Commission grant this Application.

Respectfully submitted,

A.R.C. NETWORKS, INC.

NORTH AMERICAN COMMUNICATIONS
CONTROL, INC.



Glenn S. Richards, Esq.

Susan M. Hafeli, Esq.

Shaw Pittman LLP

2300 N Street, N.W.

Washington, D.C. 20037

Counsel for Joint Applicants

Dated: July 3, 2002

Exhibit A

SECTION 1.2001 CERTIFICATION

On behalf of A.R.C. Networks, Inc.; ARC Networks, Inc.; and InfoHighway Communications Corporation; and in accordance with Sections 1.2001-1.2003 of the Commission's Rules, 47 C.F.R. §§ 1.2001-1.2003, I hereby certify that neither A.R.C. Networks, Inc.; ARC Networks, Inc.; or InfoHighway Communications Corporation is subject to a denial of Federal benefits that includes FCC benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988. See 21 U.S.C. § 853(a).

By: Joseph G. Gregori

Name: Joseph Gregori

Title: Chief Executive Officer

A.R.C. Networks, Inc.
ARC Networks, Inc.
InfoHighway Communications
Corporation

Dated: July 2, 2002

SECTION 1.2001 CERTIFICATION

On behalf of National Communications Control, Inc., and in accordance with Sections 1.2001-1.2003 of the Commission's Rules, 47 C.F.R. §§ 1.2001-1.2003, I hereby certify that National Communications Control, Inc. is not subject to a denial of Federal benefits that includes FCC benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988. See 21 U.S.C. § 853(a).

By: James Milana

Name: James Milana

Title: President

National Communications Control,
Inc.

Dated: July 2, 2002